

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA)	Criminal No. 20cr10329
)	
v.)	Violations:
)	
MICHAEL M. CHAMO,)	<u>Counts One - Two:</u> Wire Fraud
)	(18 U.S.C. § 1343)
Defendant)	
)	<u>Count Three:</u> Aggravated Identity Theft
)	(18 U.S.C. § 1028A(a)(1))
)	
)	<u>Forfeiture Allegation:</u>
)	(18 U.S.C. § 981(a)(1)(C), 982(a)(2) and
)	28 U.S.C. § 2461)

INFORMATION

At all times relevant to this Information:

General Allegations

1. MICHAEL M. CHAMO ("CHAMO") resided in West Roxbury at a residential property ("the residential property") owned jointly by Owner A and Owner B, who also resided at the residential property.
2. CHAMO maintained a company called FFK Batunia LLC, which operated in name only.
3. Endeavor Capital North LLC ("Endeavor Capital") and Raymond C. Green Companies ("RCG") were collateral-based commercial lenders located in Boston, Massachusetts that made business loans secured by real estate.

The Scheme to Defraud

4. Owners A and B held joint title to the residential property. CHAMO held no interest in the residential property and had no authority to encumber the title to the residential property.

5. In 2006, Owners A and B obtained a home equity loan from Bank of America. The loan had an outstanding balance in 2016.

6. From on or about September 26, 2016 to on or about June 12, 2018, CHAMO engaged in a scheme to fraudulently obtain money from Endeavor Capital and RCG through mortgage loans secured by the residential property.

7. As part of the scheme, on or about September 26, 2016, CHAMO executed a deed purporting to transfer title to the residential property from Owners A and B to CHAMO (“the first false deed”). CHAMO forged the signatures of Owners A and B, without their knowledge or authorization, on the first false deed.

8. On or about October 6, 2016, CHAMO executed a second deed purporting to transfer title to the residential property from CHAMO to FFK Batunia LLC (“the second false deed”).

9. Thereafter, CHAMO made false representations regarding ownership of the residential property in order to use the residential property as collateral to fraudulently obtain commercial loans from Endeavor Capital and RCG. In support of his applications to obtain the fraudulent commercial loans, CHAMO made further false representations of material facts to Endeavor Capital and RCG.

10. On or about October 7, 2016, CHAMO obtained a fraudulent commercial loan in the amount of \$293,500 in the name of FFK Batunia LLC from Endeavor Capital. To obtain that loan, CHAMO falsely represented, among other things, that:

- a. Owners A and B sold the residential property to him as represented by the first false deed;
- b. FFK Batunia LLC held good title to the residential property in fee simple as represented by the second false deed;
- c. The property was vacant and he did not currently live at the residential property;
- d. The residential property would not be his primary or secondary residence;
- e. The residential property was owned by CHAMO in the name of FFK Batunia LLC as an investment property;
- f. CHAMO's family members would be renting the residential property from him as tenants at will;
- g. CHAMO's family members had no ownership interest or right to possession of the residential property except as tenants; and
- h. The loan proceeds would be used entirely for business and commercial purposes, not for personal, family or household purposes.

11. Based on these representations, on or about October 7, 2016, Endeavor Capital wired loan proceeds through interstate commerce from its bank account to the bank account of Law Firm-1, the law firm that handled the closing of the loan. From these loan proceeds, and unbeknownst to Owners A and B, Law Firm-1 paid off the home equity loan from Bank of

America. CHAMO used the remaining loan proceeds for personal purposes including gambling debts, cash expenses, attorney fees, credit card payments and to purchase a cashier's check payable to himself in the amount of \$90,000.

12. On or about November 9, 2016, CHAMO obtained a second fraudulent commercial loan in the amount of \$375,000 in the name of FFK Batunia LLC from RCG. In order to obtain that second loan, CHAMO falsely represented, among other things, that:

- a. FFK Batunia LLC held legal and equitable title to the residential property;
- b. CHAMO held lawful fee simple title in the name of FFK Batunia LLC;
- c. CHAMO and FFK Batunia LLC had lawful authority to mortgage the residential property;
- d. CHAMO did not reside or intend to reside at the residential property;
- e. CHAMO's family members were going to rent the property from CHAMO;
- f. No present tenants or other parties residing in the property had any right to possession of the residential property; and
- g. The loan proceeds would be used for commercial and business purposes, not for personal household or consumer purposes.

13. Based on these representations, on or about November 9, 2016, RCG wired loan proceeds through interstate commerce from its bank account to the bank account of Law Firm-2, the law firm that handled the closing of the second loan. From the loan proceeds, Law Firm-2 paid off the Endeavor Capital commercial loan in the name of FFK Batunia LLC. CHAMO used a portion of the remaining funds for personal purposes including the purchase of a cashier's check payable to himself in the amount of \$70,171.80.

14. On or about January 31, 2017, in a further effort to deceive RCG and Owners A and B, CHAMO created a false and fraudulent letter on RCG letterhead falsely representing to Owners A and B that their home equity loan from Bank of America had been transferred to RCG and directing Owners A and B to make further loan payments to RCG.

15. From December 2017 until June 12, 2018, CHAMO concealed from Owners A and B the fact that RCG had initiated foreclosure proceedings on the residential property for failure to make payments on the second commercial loan.

COUNTS ONE – TWO

Wire Fraud
(18 U.S.C. § 1343)

The United States Attorney charges:

16. The United States Attorney re-alleges and incorporates by reference paragraphs 1 through 15 of this Information.

17. On or about the dates set forth below, in the District of Massachusetts, and elsewhere, the defendant,

MICHAEL M. CHAMO,

having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing the scheme to defraud, as set forth below:

Count	Approximate Date	Description of Transaction
1	October 7, 2016	\$284,534.95 interstate wire transfer of funds from Endeavor Capital Funding account ending in -6738 at Needham Bank to Law Firm-1 account ending in -5515 at First Republic Bank.
2	November 9, 2016	\$375,000 interstate wire transfer of funds from RCG account ending in -4212 at Dedham Savings to Law Firm-2 account ending in -1072 at Middlesex Savings Bank.

All in violation of Title 18, United State Code, Section 1343.

COUNT THREE
Aggravated Identity Theft
(18 U.S.C. § 1028A(a)(1))

The United States Attorney further charges:

18. The United States Attorney re-alleges and incorporates by reference paragraphs 1 through 15 of this Information.

19. On or about September 26, 2016, in the District of Massachusetts, and elsewhere, the defendant,

MICHAEL M. CHAMO,

did knowingly transfer, possess, and use, without lawful authority, the means of identification of another person, that is, the name and purported signature of Owner A, during and in relation to a felony violation enumerated in 18 U.S.C. § 1028A(c), that is, wire fraud, as charged in Count One of this Information.

All in violation of Title 18, United States Code, Section 1028A(a)(1).

FORFEITURE ALLEGATION

(18 U.S.C. §§ 981(a)(1)(C), 982(a)(2) & 28 U.S.C. § 2461(c))

The United States Attorney further charges:

20. Upon conviction of one or more of the offenses in violation of Title 18, United States Code, Sections 1343 set forth in Counts One and Two of this Information, the defendant,

MICHAEL M. CHAMO,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), 982(a)(2), and Title 28, United States Code, Section 2461(c) any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses. The property to be forfeited includes, but is not limited to, \$668,500, to be entered in the form of a forfeiture money judgment.

21. If any of the property described in paragraph 20, above, as being forfeitable pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 982(a)(2), and Title 28, United States Code, Section 2461(c), as a result of any act or omission of the defendant –

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred to, sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intention of the United States, pursuant to Title 18, United States Code, Section 982(b), and Title 28, United States Code, Section 2461(c), each incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of all other property of the defendant up to the value of the property described in paragraph 20 above.

All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 982(a)(2), and Title 28, United States Code, Section 2461(c).

Respectfully submitted this 16 day of December, 2020.

ANDREW E. LELLING
United States Attorney

By :

VICTOR A. WILD
Assistant U.S. Attorney
U.S. Attorney's Office
District of Massachusetts
John J. Moakley U.S. Courthouse
1 Courthouse Way, Suite 900
Boston, MA 02210